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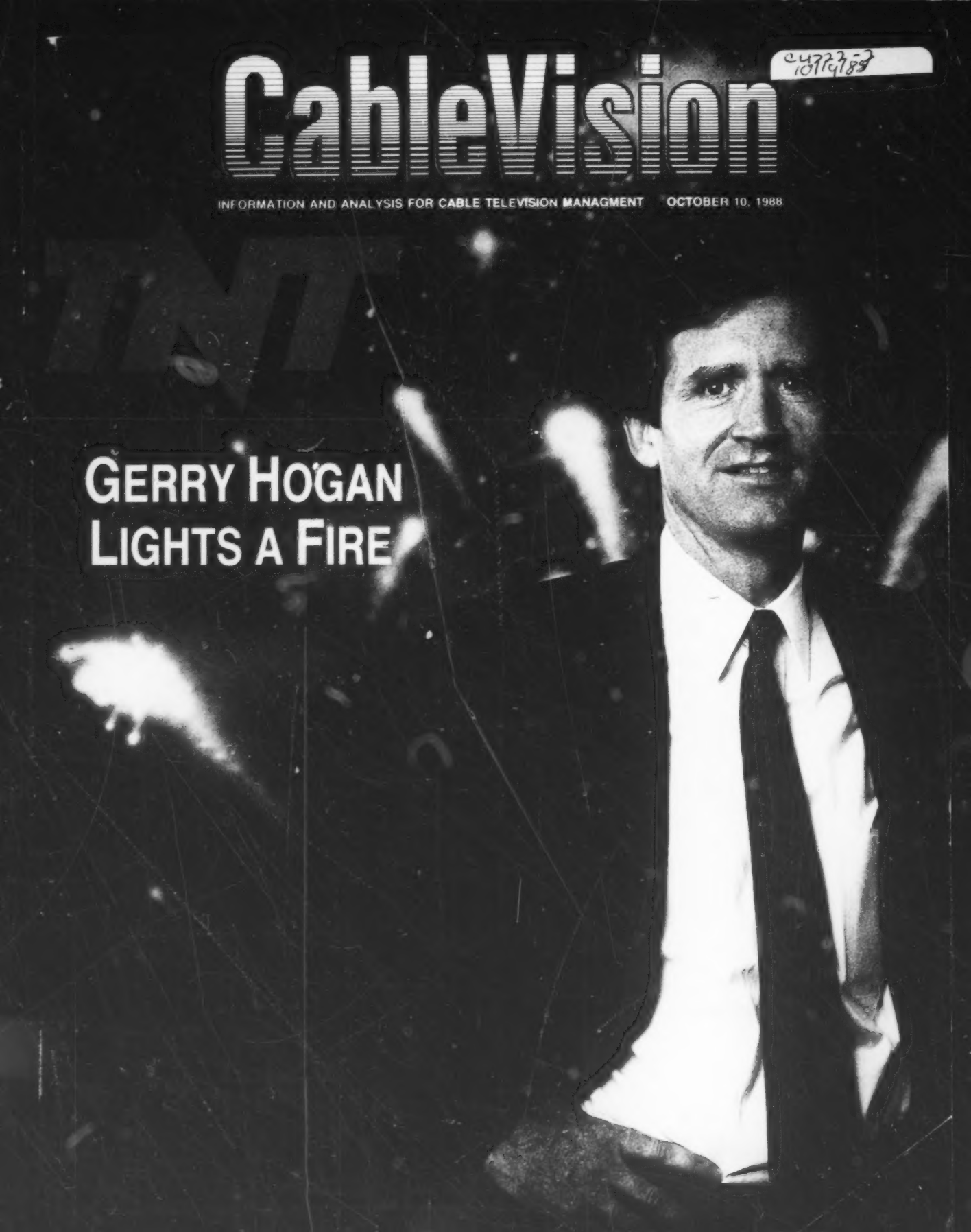
CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGMENT OCTOBER 10, 1988

GERRY HOGAN LIGHTS A FIRE



CableVision

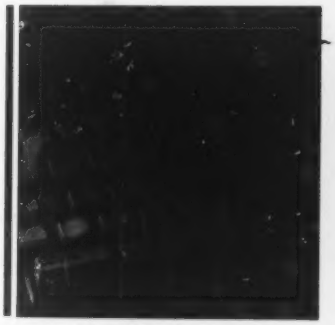
INFORMATION

Jones Drops USA Network. 16
In an escalation of operator unease with rising carriage fees, Jones drops USA Network from about two-thirds of all its homes.

ATC Takes Another Fiber Step. 18
Out in Hawaii, ATC will use glass in trunks in what is billed as the first such AM application.

Stock Exchange Probes Time. 22
The New York Stock Exchange is looking into the meteoric rise in Time Inc. stock, which shot up 19 points on volume six times normal.

Group W Moves on HDTV. 22
Westinghouse is the latest player to jump into HDTV and prepares its Baltimore station as a test site.



Is cable ready for another NABU? 16

ANALYSIS

A Big Bang from TNT. 32
It's launching with about 17 million subs, and it has some great movies and a few specials, but could there be some smoke amid the fire?

Making MIS Pay in Marketing. 52
Sure it's good for sending out monthly bills, but today's relational databases can—and should—do much more.

They Want Their D.C.-TV. 62
It's not news that the Honorables in Washington are masters of the sound bite, but did you know they are their own programmers?

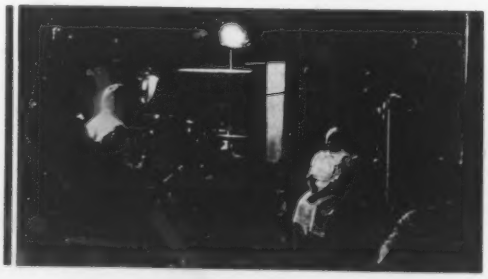
Making It Run Right. 66
General managers have a lot on their plates nowadays, and four tell how they're serving subs while guarding that shelf space.

'If you know a subscriber's tendencies, you know what you can market to that subscriber. 52

COVER PHOTOGRAPH

'I don't come in in the morning with a sense of history,' says a boyish Gerald Hogan.

Photo by George Burnett



The Making of a Legend 32

COMMENTARY

Catch-22

Cable operators demanded better programming on basic. Many basic networks went out and bought high-profile off-net shows and signed deals for made-for-TV movies and other specials. Now the bill is coming due in the form of rising carriage fee structures, and operators are balking.

A lot of fingers are being pointed as this Catch-22 controversy widens what had been a narrowing gulf between operators and programmers. USA Network presently is at the center of this storm with its reported plan to raise fees by a nickel a sub in January, with another nickel to be tacked on a year later. But other networks surely will be following suit, given the wave of program acquisition over the last year or so.

We don't want to interject ourselves too much into what is purely a business matter between willing sellers and buyers. But two points should be made. From the programmer's viewpoint, there is the issue of trust and expectation. At one cable show after another over the last couple of years, operators took the podium to plead for better programming. Now they've got it, and as astute businessmen they cannot credibly claim that rising fees are coming out of the blue. On the other hand, operators know they cannot innocently pass along these extra costs to the consumer without some risk of retribution from the marketplace.

The industry is about to enter its third year of rate deregulation. In Year One, increases in basic service understandably were made to adjust for years of artificial price restraints. Year Two's hikes were justified by the number of new services joining basic, notably Discovery and AMC. Now we're heading into Year Three with a restless Congress and no saleable reason in sight to support a third year in a row of rising basic service rates.

Apparently the NFL has something to do with operator resistance to rising fees. They paid an extra dime for football, and that investment paid off handsomely. Now they seem to be judging other rate cards against that experience.

Clarification: The cover photo on our Sept. 12 issue indicated that the movie *Peggy Sue Got Married* was running on Showtime. HBO holds the exclusive rights to the film. The photo, supplied by Prevue Guide, was developed for promotional purposes only.

Steve Tuttle

CableVision

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ABP BPA

Top Basic Cable Sports Programs
Sept. 19-25

	Date	Program	Net	Rating	Homes
1.	9/24	CFA: Arizona State vs. Nebraska	ESPN	2.8	1,366,000
2.	9/25	NFL Primetime (7:15-8:15 PM)	ESPN	2.2	1,074,000
3.	9/25	Nascar Winston Cup: Goody's 500	ESPN	2.1	1,025,000
4.	9/25	NFL Theater: Fantastic Finishes	ESPN	2.1	1,025,000
5.	9/25	NFL Primetime (10-11 PM)	ESPN	2.1	1,025,000
6.	9/24	Col.Ftbll: Georgia vs South Carolina	TBS	1.9	893,000
7.	9/22	Baseball: Braves vs Astros	TBS	1.8	827,000
8.	9/21	Baseball: Braves vs Astros	TBS	1.6	752,000
9.	9/19	Baseball: Braves vs Giants	TBS	1.5	717,000
10.	9/20	Baseball: Braves vs Giants	TBS	1.5	715,000
11.	9/22	Thurs. Night Boxing	USA	1.5	680,000

Score one

FNN: Score had an identity problem. Not being a complete 24-hour network made it tough to sell to cable operators intending to streamline carriage of partial-day networks. Also, regional cable networks were eating up its weekday prime time viewers. According to FNN executives, this—and the demand for primetime business news through FNN—is why Score was collapsed into a weekend service.

Despite a feeling in the industry that Score is being pushed aside, Arnie Rosenthal, executive vice president and general manager of Score, says the opposite is true. "It's made us stronger." He says Score now can avoid the low sports HUT (Homes Using Televison) weekday levels and concentrate on weekends, when viewing is greater. He didn't disclose what ratings Score receives in weekday prime time, but says they were lower than the weekend.

Score also may be stronger because of increased weekend air time. Its weekday 8 p.m. to midnight hours are gone. Friday nights now will expand from 8 p.m. to 3 a.m. Saturdays and Sundays will see an extra three hours, now running from 5 p.m. to 3 a.m. Rosenthal says the extended time could provide room, for example, for a late western time zone college basketball game.

To boost its image with what Rosenthal calls "crossover" events, Score will add more golf coverage. With business news skewing to an upscale managerial audience, additional golf events, which appeal to the same audience, will provide a better environment for advertisers, he said.

Score often has exchanged programs with regional networks in areas where Score isn't widely carried. The regionals also benefited from a wider exposure of their wares. Might Score become involved with the NHL if SportsChannel America encounters rough sledding in selling hockey to the regional cable nets? Rosenthal says that's possible, but adds that his fall schedule is pretty well set. ■

A ratings rout

NBC knew the Seoul Olympics would not be the Los Angeles Olympics. They proved themselves right, and then some.

Beyond the complaints of too many commericals, too much talk and, above all, too little action, NBC isn't saying why ratings are off by as much as 35 percent from the 1984 games. Mike Eskridge, executive vice president in charge of the Games, would only guess that perhaps the environment has changed in the four years since ABC aired the 1984 summer event.

Is cable a cause of the erosion? Early indications are that it probably is not, according to Barry Cook, vice president of media research for NBC. He points to ABC's 1988 winter games in Calgary. "How much has cable programming changed since the winter Games? Probably not that much." He thinks that rules out cable as a major factor because ABC, while losing $65 million on the Calgary Games, still grabbed better ratings than in the 1984 games. ABC's winter Games achieved an overall 15.4 rating/29 share in Calgary against the 1984 Sarajevo contests, which garnered a 15.2/27.

Does this mean more leverage for cable receiving Olympics events in the future? Neal Pilson, president of CBS Sports, who has the 1992 winter Games in Albertville, France, wouldn't say—although he has worked up some numbers for a cable package (*CV* 7/18/88 p. 18).

NBC posted an average 18.2 rating Nielsen national rating for the first 10 days, 22.5 percent below the L.A. numbers. ■

What's on the Pays/November

Cinemax

New Movies

Title	MPAA Rating	Distributor
Captive Hearts	PG	MGM/UA
China Girl	R	Vestron
Dark Horse	NR	Universal
Enter Laughing	NR	Columbia
Eye Of The Tiger	R	Scotti Bros.
The First Time	NR	Columbia
For Pete's Sake	PG	Columbia
Gaby: A True Story	R	Tri-Star
The Gate	PG-13	New Century
Tom Horn	PG	Warner Bros.
Ishtar	PG-13	Columbia
The Killing Time	R	New World
Lady Beware	R	Scotti Bros.
The Lords Of Flatbush	PG	Columbia
My American Cousin	PG	Spectrafilm
Nowhere To Hide	R	New Century
Prick Up Your Ears	R	Sam Goldwyn
Pushover	NR	Columbia
Red Nights	R	Trans World
Secrets Of The Bermuda Triangle	G	Warner Bros.
Siesta	R	Lorimar
Solarbabies	PG-13	MGM/UA
Survival Game	R	Trans World
Touch & Go	R	Kings Road
Turnaround	R	Cinema Group
The Wind	NR	Omega

Original Programming/Specials

Cinemax Comedy Experiment: Comedy From Here
Cinemax Comedy Experiment: New Homeowner's Guide To Happiness
Cinemax Comedy Experiment: Norman's Corner
Crazy About The Movies: Cary Grant: The Leading Man
The Max Movie Show

Jimi Hendrix

Highlights

Baby Boom	PG	MGM/UA
Cinemax Vintage Performances: Jimi Hendrix		
Fatal Beauty	R	MGM/UA
The Running Man	R	Taft/Barish
Someone To Watch Over Me	R	Columbia

The Disney Channel

New Movies

The Camel Boy	NR	Cori Films
Charlotte's Web	G	Paramount
The Chipmunk Adventure	G	Sam Goldwyn
The Dirt Bike Kid	PG	Worldvision
Dot & The Smugglers	NR	Cori Films
Fantastic Adventures Of Unico	NR	Sanrio
The Happiest Millionaire	NR	Disney
The Hobbit	NR	Lorimar
Konrad	NR	Wonderworks
The Little Colonel	NR	20th Century-Fox
Pinocchio	G	Four Star
Please Don't Eat The Daisies	NR	MGM/UA
Royal Wedding	NR	Turner
Swallows And Amazons: The Big Six	NR	Primetime
Swing Time	NR	Turner
Three Amigos	PG	HBO
Top Hat	NR	Turner
Treasure Of Swamp Castle	NR	Cinar
Under The Biltmore Clock	NR	Rubicon
Willy Wonka And The Chocolate Factory	G	Warner Bros.

Original Programming Specials

Banjo, The Woodpile Cat
Dorothy In The Land Of Oz
Frosty's Winter Wonderland
JFK: A Celebration Of His Life & Times
More Dinosaurs
My Father The President
A Nation Of Immigrants
Raggedy Ann & Andy: A Musical Adventure
Snow White Live

Yellowstone, The First National Park

Good Old Boy

Highlights

Good Old Boy
Here's To You, Mickey Mouse!
New Vaudevillians III
New World
1988 Prince's Trust All-Star Concert

Home Box Office

New Movies

The Concrete Jungle	R	Lorimar
The Far Country	NR	Hal Roach
Guess Who's Coming To Dinner?	NR	Columbia
Heart Of A Champion: The Ray Mancini Story	NR	20th Century-Fox
He's My Girl	PG-13	Scotti Bros.
It's Alive III	R	Warner Bros.
Kentucky Fried Movie	R	Hal Roach
Off The Wall	R	Paramount
Positive I.D.	R	Universal
Rolling Vengeance	R	Apollo
The Seventh Voyage Of Sinbad	NR	Columbia
The Sicilian	R	20th Century-Fox
Space Rage	R	Vestron
Steel Dawn	R	Vestron
Sweet Country	R	Cinema Group
Sweet Lorraine	PG-13	Paramount

Original Programming/Specials

HBO Family Playhouse: Divorced Kids Blues
HBO Comedy Hour
JFK: In His Own Words
Madeline
Not Necessarily The News: The Reagan Legacy
On Location: Bob Goldthwait—Is He Like That All The Time?
1st & Ten: The Bulls Means Business—four episodes

A Dangerous Life

Highlights

A Dangerous Life		
Baby Boom	PG	MGM/UA
Like Father Like Son	PG-13	Tri-Star
The Running Man	R	Taft/Barish
Suspect	R	Tri-Star

The Movie Channel

***Can't Buy Me Love*, Touchstone Pictures' comedy mixing school days and young romance, headlines TMC's November lineup, along with Paramount's adaptation of *The Untouchables*, directed by Brian De Palma. The network's list of new titles for the month was unavailable at presstime.**

Can't Buy Me Love

Showtime

New Movies

Barfly	R	Cannon
Campus Man	PG	Paramount
China Rose	R	A.
Dancers	PG-13	Cannon
The Good Wife	R	N.A.
Lies	R	N.A.
Maid To Order	PG	Lorimar
My Demon Lover	PG-13	Atlantic
Positive I.D.	R	Universal
The Sicilian	R	20th Century-Fox
Summer Rental	PG	New World
Surrender	PG	Warner Bros.
Teen Wolf Too	PG-13	Atlantic
The Toxic Avenger	R	Troma

Original Programming/Specials

Brothers—new episodes
Goldy II: The Saga Of The Golden Bear
It's Garry Shandling's Show—new episodes
Second City's 15th Anniversary Special
Super Dave—new episodes
Tropical Rock: A Hot Night In Ibiza

The Untouchables

Highlights

Can't Buy Me Love	PG-13	Touchstone
Showtime Coast To Coast: New York Edition		
Souvenir		
The Untouchables	R	Paramount

CABLE STATS

Subscriber Count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	365	8,000,000
Alternate View Network	250	4,000,000
Arts & Entertainment (A&E)	2,600	36,000,000
Black Entertainment Television	1,200	20,000,000
Cable News Network	11,860	46,238,000
Cable TV and Appliance Network	N.A.	1,500,000
Cable Value Network	1,850	20,000,000
CBN Family Channel	8,215	41,642,000
C-SPAN	3,014	39,200,000
C-SPAN II	539	15,400,000
Country Music Television	862	8,000,000
The Discovery Channel	3,567	33,800,000
Eco	300	1,000,000
ESPN	9,500	47,800,000
Eternal Word Television Network	461	10,100,000
Family Guide Network	60	4,500,000
FamilyNet	47	1,200,000
The Fashion Channel	600	10,100,000
Financial News Network	3,500	30,500,000
FNN/Score	1,150	19,800,000
FNN/TelShop	950	11,000,000
Headline News	3,228	32,693,000
Home Shopping Network	1,342	15,700,000
Home Shopping Network II	302	5,500,000
The Inspirational Network	950	10,500,000
International Television Network	56	7,868,900
The Learning Channel	930	12,800,000
Lifetime	3,600	40,800,000
Mind Extension University	84	1,700,000
Movietime	200	7,500,000
MTV	5,010	42,700,000
The Nashville Network	7,335	41,051,392
Network 1 USOA	N.A.	N.A.
Nick At Nite	3,285	36,400,000
Nickelodeon	6,195	41,200,000
The Nostalgia Channel	290	3,500,000
Prevue Guide	200	5,300,000
QVC Network	931	12,600,000
RFD TV	N.A.	N.A.
Shop Television Network	119	4,400,000
Silent Network	380	10,300,000
Superstation TBS	8,171	45,718,000
Tempo Television	700	8,000,000
The Travel Channel	300	11,000,000
Trinity Broadcasting Network	650	8,000,000
Univision	340	N.A.
USA Network	10,100	45,200,000
VH-1	2,140	27,900,000
Vision Interfaith Satellite Network	N.A.	N.A.
The Weather Channel	3,240	36,100,000
WGN-TV	11,000	24,900,000
WWOR-TV	2,499	12,302,073
WPIX-TV	858	9,678,474
Bonus/basic services		
American Movie Classics	1,500	20,000,000
Bravo	350	1,300,000
Pay services		
American Exxxtasy	35	27,000
Cinemax	3,650	5,100,000
The Disney Channel	5,000	3,810,000
Festival	100	42,500
Home Box Office	7,400	15,900,000
The Movie Channel	3,250	2,600,000
The Playboy Channel	550	490,000
Showtime	6,000	6,300,000
Audio services		
Cable Radio Network	49	1,556,736
Galatic Radio	84	1,050,000
KKGO Super Jazz	18	133,639
Moody Bible Institute	63	1,058,368
Satellite Radio Network	237	483,000
Seeburg Lifestyle Music	142	2,578,838
Seeburg Lifestyle Adult Contemporary	26	854,390
Tempo Sound	125	1,250,000
WFMT Chicago	170	1,259,804
Text services		
AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP News Plus	75	2,100,000
Cable SportsTracker	41	875,000
EPG	280	6,800,000
EPG Jr.	330	300,000
Genesis Storytime	39	1,550,000
Reuters NewsView	127	2,437,000
Computer services		
DBC/MarketWatch	462	9,200,000
X*Press Executive	457	6,100,000
X*Press X*Change	457	6,100,000

Non satellite-fed national services

Basic services	Affiliates	Subscribers
Cable Video Entertainment	190	18,000,000
Fuji Network	3	12,000
Nippon Golden Network	3	13,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Interactive services

Basic services	Affiliates	Subscribers
Telaction	1	4,000
Video Jukebox Network	9	268,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	177,000
Bay Area Religious Channel	6	113,000
Buffalo Sabres Hockey	6	455,000
Cable TV Network of New Jersey	34	1,396,451
The Ecumenical Channel	9	170,000
KBL Entertainment Network	67	1,000,000
KTVT	415	3,588,270
Life Newsvision	35	50,000
Madison Square Garden Network	112	2,500,000
Meadows Racing Network	14	600,000
News 12 Long Island	4	532,000
Prime Cable	9	381,938
Prime Ticket	55	2,300,000
Sportsvision	50	1,507,270
Sunshine Network	112	1,700,000
Pay services		
Home Sports Entertainment	196	684,740
Home Team Sports	114	1,000,000
New England Sports Network	160	301,131
Prism	87	427,000
Pro-Am Sports	140	301,000
SportsChannel (Florida)	10	470,000
SportsChannel (New England)	147	942,943
SportsChannel (New York)	94	1,150,000
Z Channel	65	110,010

Note: Figures for affiliate/subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Cable Stats, 432 Park Avenue South, Suite 1010, New York, NY 10016.
N.A denotes information not available.

Announced services

Satellite-fed services	Expected launch
American Man's Network	2/89
ATV: Advertising Television	1/89
CD/8: The Digital Music Network	4th Quarter 1988
The Computer Channel	5/89
Digital Cable Radio	1st Quarter 1989
Digital Radio Labs	1st Quarter 1989
Interactive Game Network	3rd Quarter 1989
Kids Information Network	4th Quarter 1988
The Landscape Channel	4th Quarter 1988
Laugh TV	1st Quarter 1989
Main Street	2nd Quarter 1989
Mizlou Cable Sports Network	4/89
Spanish TV News Network	11/88
Talk Television	1st Quarter 1989
TNT	10/88
Wingtips	4th Quarter 1989

OCT

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1988

CV 22:2
10/25/88

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGMENT

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Ed Merlis Opens a New Corner Store

THE SECOND COMING OF INTERACTIVE TV

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT OCTOBER 24, 1988

INFORMATION

Gore bill beaten. 16
The Senate, by a 43-36 margin, turns back a controversial bill mandating third-party distribution of scrambled signals.

Rejuvenating Playboy. 16
Daniels & Associates and Salomon Bros. will line up new equity for Playboy Channel and will assist it through a transformation to Night Life.

Malone gets hot under the colar. 18
Press speculation and reports by analysts that TCI may be considering a restructuring or other changes have John Malone irritated.

USA strikes back. 23
Smarting from being dropped from most Jones systems, USA strikes back by contacting many city officials and taking out newspaper ads.

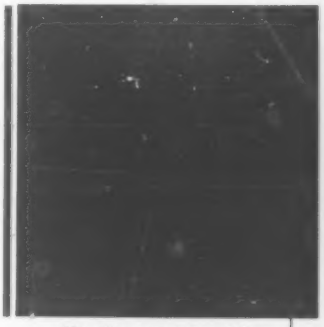
ANALYSIS

The children of Qube. 28
Like Lazarus, interactive television is again rising in cable, but this time there's a real profit potential, even in bananas.

Pitched battle on the Potomac. 48
Washington is warily watching as the cable/telco struggle heats up, but Jim Mooney says the telcos must show that 'cows can jump over the moon.'

Remotely closer to compatability. 60
The IS-15 multiport is making some headway and vendors are beginning to offer 'learning' remotes, but untangling the TV rat's nest remains a problem.

What's up with Time stock?. 76
New 52-week highs are beoming commonplace as Time Inc. stock continues skyrocketing, but some believe it's at or near the top.

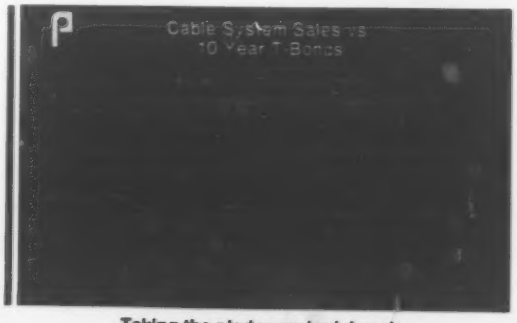


Keeping an eye on telco lobbying

56

A man of character

72



Taking the pledge on junk bonds

80

COVER PHOTOGRAPH

Interactive TV is back and it's different. 'Clearly groceries have been the most successful' says Telaction's Ed Merlis.

COMMENTARY

Cable rich

One of the items that catches the eye in the *Forbes Four Hundred* list of the richest people in America, in the Oct. 24 issue, is that 73 of the multimillionaires "have fortunes derived principally from media enterprises." That's well above the number whose fortunes are derived from financial operations (65), high technology (15), oil and gas (30), agriculture (16) and retailing (21). The number of media fortunes ranks a close second to manufacturing (75) and not far behind real estate (87), to which a major segment of the media, cable television, is closely related in its financial structure.

Other interesting tidbits: Prominent in the list of those whose fortunes were battered the most by last year's stock market crash is TCI's Bob Magness, who, according to *Forbes*, saw his pile decline from $372 million to $290 million. And in a real sign of the cable times, Lowell Paxson and Roy Speer were dropped from this year's list because their Home Shopping Network stock plummeted from $15.50 a share last year to around $4.00 now. Easy come, easy go, as *Forbes* says.

Close calls: Two among the "near misses" who didn't quite make the cutoff of $225 million are Alan Gerry of Cablevision Industries ($200 million) and Glenn Jones of Jones Intercable et al (ditto).

Many of the media multimillionaires are familiar names; Magness, for example, and the Cox sisters ($4.5 billion), Jack Kent Cooke ($950 million), Charles Dolan ($550 million), Amos Hostetter ($250 million), Sumner Redstone ($1.4 billion) and Ted Turner ($535 million).

Two old curmudgeons deserve mention. Charles Sammons, 90, is quoted as saying that "cable is somewhat like Alice in Wonderland. You have to run just to keep up." Given that his Sammons Communications, the 16th largest MSO, is valued at $1.3 billion, that's an apt quote. Likewise Donald Reynolds, 82, whose name accounts for Donrey Media, says that he has many personal relationships "not because I'm cute, just solvent" to the tune of $1 billion.

And then there's Ralph Baruch. He isn't on the *Forbes* list, but he does offer some sobering advice to those who are. He gave a stirring speech at the Walter Kaitz dinner, which is excerpted in a Forum column on page 72.

—Steve Tuttle
Editor

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Patrick Keleher
President/Chief Executive Officer

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ITCI

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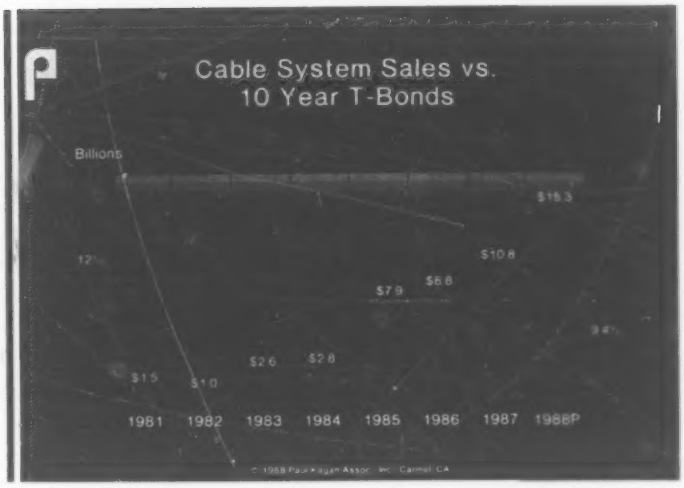
ABP BPA

Taking the pledge in junk bonds

By Virginia Munger Kahn



The junk bond market will continue to be the primary source of public capital for large MSOs despite a falloff in recent new issue activity and an increase in restrictive covenants, investment bankers said at a Paul Kagan acquisitions seminar in New York. At the same time investors continue to view cable high-yield issues as most attractive, because of their defensive nature and the perception that they can withstand a recession, noted Peter Horan, managing director at Merrill Lynch Capital Markets.

Investment bankers Steven Rattner of Morgan Stanley and Fred Seegal of Shearson Lehman Hutton attributed the decline in new cable junk bonds to the nature and structure of the large transactions that have occurred this year. In the case of both Storer Communications and Wometco, the MSO buyers essentially must leave the current capital structures in place. As Seegal put it, "the financial buyers have exited the market and left behind capital structures they built for themselves."

The rise in covenants on junk bond issues primarily is a function of bondholders seeking protection from additional debt being piled on the companies. While Horan said the restrictions are geared toward acquisitions rather than maintenance of certain performance guidelines, Rattner contends the covenants are even more burdensome than they appear at first blush.

That rise in the use of covenants is leading an increasing number of companies to the private placement market, said the bankers. It is a phenomenon taking place throughout American business, according to a recent *Business Week* article, and private placements may account for half of all debt issued this year.

Not only are companies attracted to the market's privacy—they do not have to file documents with the Securities and Exchange Commission—but rates in the private placement market have been competitive with public markets recently and often only a handful of insurance companies must be dealt with rather than a whole raft of public bondholders. "Now when someone wants covenant relief it's easier to go to the private market," said Seegal.

However, panelists at another session discounted the role insurance companies will play in financing cable's future. While Diane Kaufman, formerly with MONY Financial Services and now general partner at Media Ventures LP, noted that insurance companies are anxious to do cable financings, she and other panelists indicated that lending agreements with such firms still are not flexible enough for most cable operators. While operators like to keep leveraging up their companies by building on new acquisitions, most insurance company agreements require the operator to start paying down debt beginning in year two, said Donald Russell, group vice president at Communications Equity

Associates.

Added Peter Horan, "There's still a quantum difference between junk and the private market" when it comes to covenants.

While the public debt markets have been good to cable, the equity market stands out as a major sore point in cable's capital formation picture. As prices in the private market have continued the climb, the poor performance of cable stocks has grown even more painful. Not only is it financial suicide for most cable companies to issue public equity at 50 percent or less of what the company is valued at in the private market, but as prices in the private market have risen the need for equity has grown more acute.

Most financiers agree that commercial banks will lend up to eight times cash flow on a major acquisition. Providers of mezzanine financing such as subordinated debt will cover another two to three times cash flow. However, many cable deals these days are going for 13 times projected cash flow and equity is needed for that final financing stage.

It is still possible to do convertible securities, noted Fred Seegal, but "that's about it."

One attractive equity source that Seegal said could raise more than $1 billion for the industry, but which is not being used by operators, is the limited partnership market. The perception is that for all the time and effort it takes, the return in such a situation is not worth it. Even though the general partner puts up no equity, and the return theoretically is infinite, the GP gets just 20 to 30 percent of the upside. The perception among operators is that that's not enough.

Peter Horan noted that there is substantial interest among operators in raising investment funds similar to what Merrill Lynch did with ML Media for Martin Pompadur and Elton Rule. "Every operator I go to asks, 'Can you raise me a $500 million equity fund,'" said Horan. The key to successfully marketing such an investment vehicle lies in the track record of the operators. They must be experienced in buying and selling properties, not operating cable systems, noted Horan.

While the news on the equity front remains bleak, other financing sources, particularly the commercial banking sector, continue to increase their exposure to the business. The comfort level such institutions have with cable is evident not only in that increased role, but also in their willingness to take mezzanine lending positions and stretch out payback periods on certain transactions. Don Russell noted that while most banks say they will

PYMS

PYMS CABLE BROKERAGE, INC.

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This notice appears as a matter of record only.
September 1988

SOLD
The cable television assets of Crawford Cable TV serving Erick, Oklahoma to Mission Cable. This sale represents over 520 basic subscribers. Karen Thompson represented the seller in this transaction.

SOLD
The cable television assets of County Cable, Inc., serving Greeneville, Baileyton and Chuckey, Tennessee to C4 Media Corporation. This sale represents over 2,500 basic subscribers. Landis Williams represented the seller in this transaction.

SOLD
The cable television assets of Twin Lakes Cable, Inc., serving Friendsville, Greenback and Blount and Loudon Counties, Tennessee to C4 Media Corporation. This sale represents over 700 basic subscribers. Landis Williams represented the seller in this transaction.

SOLD
Certain assets of JMCI Cable Company serving Troy, Indiana to Tele-Media Corporation. Karen Thompson represented the seller in this transaction.

SOLD
The cable television assets of GWP, Inc., serving Tri Palm Estates, California to Calavision. This sale represents over 1,500 basic subscribers. Judith Bershof represented the seller in this transaction.

SOLD
The cable television assets of Marrowbone Community TV System, serving Marrowbone, Kentucky to Tele-Media Corporation. This sale represents over 370 basic subscribers. Trudy Comer represented the seller in this transaction.

lend six to eight times cash flow, "a lot more banks are willing to go to the higher end" these days. Fred Seegal called the relaxation in payback periods one of the more important changes in cable's financing picture.

Gary Corr, vice president for Citibank, explained some of the factors behind a bank's willingness to stretch. As interest rates decline, banks are more willing to lend at the higher end of six to eight times cash flow. Another factor is the ability of the operator to do a fast "fix-up" on the system by immediately raising prices or collapsing tiers to get cash flow up fast. Buildouts are more conservatively evaluated because they take more time, as are overhead improvements such as when a larger company acquires a smaller company.

Beyond eight times cash flow, it becomes difficult to amortize the debt within a bank's normal 10-year time frame, noted Corr. "I don't see much movement away from those parameters," he added.

The most concrete evidence of the financing community's comfort with the cable industry, however, is the returns they expect when investing in the business. As is the case with all investments, the higher the risk, the higher the expected return. According to Seegal, rates of return in other media are as much as 300 to 400 basis points higher than cable at the mezzanine and equity levels. "Cable clearly is the premium," he said.

The most noticeable change in expected rates of return has come in the equity area. "Returns on equity are dropping significantly," noted Steve Rattner. Whereas the equity return for management in the Wometco deal originally was projected at 40 percent, today most deals do not provide returns of better than 20 percent, he noted. In one recent deal where the operator was paying $2,800 a subscriber, equity

$600,000,000

CENTURY COMMUNICATIONS CORPORATION

Revolving Credit/Term Loan/Competitive Bid Facility

Funds Provided by:

Citibank, N.A.
As Agent

The Chase Manhattan Bank, N.A.
The Bank of Nova Scotia
The First National Bank of Chicago
Royal Bank of Canada
Bankers Trust Company
Continental Illinois National Bank and Trust Company of Chicago

August 1988

CITICORP CITIBANK

Citibank, N.A., a subsidiary of Citicorp

SOLD

September, 1988

ULTRONICS, INC.
has sold its cable television assets serving portions of Oceanside, California to

TIMES MIRROR CABLE TELEVISION

The undersigned represented Ultronics, Inc. in this transaction.

Hardesty, Puckett & Company

COMMUNICATIONS BROKERAGE AND INVESTMENT BANKING

SAN DIEGO OFFICE
[illegible]

MIDWESTERN OFFICE
[illegible]

returns were 12 percent.

That trend likely will continue with the entrance of new players such as Pacific Telesis and Houston Industries, which have longer timeframes on their investments, the exit of the so-called financial players who sought quick, big turnarounds on their investments, and the increasing dominance of long-time cable operators in the mergers and acquisitions market.

One investor who will not accept declines in equity returns is Media Ventures' Diane Kaufman. Her firm still is looking for returns of 30 to 40 percent on equity investments. "When people (are) talking about lower equity returns, they (are) talking about larger deals, which tend to be higher priced," noted Kaufman. On transactions below $2,500 a subscriber, the 30 to 40 percent return on equity formula works just fine, she indicated.

A major reason for the increasing confidence in the cable business among sources of financing is the industry's consistent outperformance of even the most optimistic projections, said panelists. In the case of the Wometco deal where management was projected to receive a 40 percent return, the return actually

Stock Market

EXCH	COMPANY	CLOSING QUOTE 09/21/88	CLOSING QUOTE 10/06/88	NET CHANGE IN PERIOD	PERCENT CHANGE IN PERIOD	P/E RATIO	ANNUAL DIV	ANNUAL YLD%	EARNINGS PER SHARE	52 WEEK HIGH	52 WEEK LOW
MSOs & PROGRAMMERS											
ASE	ACTON	13.88	13.13	-0.75	-5.40	16	0.00	—	0.80	35.50	11.63
OTC	ADELPHIA COMM.	19.50	20.00	0.50	2.56	—	0.00	—	—	22.75	8.50
OTC	AMERICAN TELE & COMM(H)	29.00	30.50	0.50	0.50	60	0.00	—	0.51	30.88	16.50
ASE	CABLEVISION SYS (a)	33.75	32.50	-1.25	-3.70	—	0.00	—	—	38.00	16.00
OTC	CENTEL CABLE	22.75	23.50	0.75	3.30	—	0.00	—	—	28.00	11.88
ASE	CENTURY COMMUNICATIONS	19.25	19.13	-0.12	-0.62	—	0.00	—	—	21.75	10.00
OTC	COMCAST	14.88	16.00	1.12	7.53	—	0.18	1.13	—	18.50	10.63
OTC	CVN	15.00	15.00	0.00	0.00	10	0.00	—	0.84	17.38	7.75
NYS	DISNEY	63.13	64.25	1.12	1.77	17	0.40	0.60	3.82	80.00	41.25
ASE	FALCON	21.25	20.00	-1.25	-5.88	—	2.16	10.40	—	21.38	13.50
OTC	FINANCIAL NEWS NET.	7.38	7.25	-0.13	-1.76	17	0.00	—	0.35	11.38	3.63
ASE	GALAXY	16.50	16.75	0.25	1.52	27	1.40	8.50	0.62	19.00	14.00
ASE	HOME SHOPPING NETWORK	4.38	4.00	-0.38	-8.68	19	0.00	—	0.22	14.38	3.38
OTC	JONES INTERCABLE	12.00	12.13	0.13	1.08	5	0.00	—	2.53	14.38	7.75
OTC	JONES INTERCABLE (NVH)	14.88	15.00	0.12	0.81	—	1.00	10.67	—	16.88	7.88
ASE	LORIMAR-TELEPICTURES	14.13	12.75	-1.38	-9.77	14	0.00	—	—	16.75	8.63
NYS	MCA	48.75	48.88	3.13	7.15	31	0.68	1.50	1.51	62.38	30.00
OTC	MULTIMEDIA	72.00	73.50	1.50	2.08	58	0.00	—	1.27	75.50	39.50
OTC	NOSTALGIA CHANNEL	1.00	1.00	0.00	0.00	—	0.00	—	—	8.00	0.50
ASE	NEW YORK TIMES	27.88	28.00	0.12	0.43	14	0.48	1.70	1.98	43.75	24.38
NYS	PLAYBOY ENTERPRISES	13.75	14.00	0.25	1.82	278	0.00	—	0.50	16.38	10.00
OTC	QVC	8.75	8.88	0.13	1.43	—	0.00	—	—	11.63	4.50
TOR	ROGERS COMMUNICATION (H)	50.50	50.00	0.50	10.99	—	0.00	—	—	59.37	18.37
OTC	TCA CABLE TV	30.50	31.50	1.00	3.28	55	0.32	1.00	0.51	35.50	19.50
OTC	TELE-COMMUNICATIONS	24.13	25.13	1.00	4.14	—	0.00	—	—	27.50	16.50
ASE	TEMPO ENTERPRISES	8.25	8.88	0.63	7.64	66	0.16	1.90	0.42	9.50	4.38
NYS	TIME INC.	107.75	116.00	8.25	7.66	23	1.00	0.90	4.56	117.50	65.75
NYS	TIMES MIRROR	31.50	32.75	1.25	3.97	15	0.92	3.00	2.19	51.10	29.00
NYS	TRIBUNE CO.	38.63	39.88	1.25	3.34	20	0.76	2.10	2.01	49.75	29.50
ASE	TURNER BROADCASTING —	14.75	14.63	-0.12	-0.81	—	0.00	—	—	16.63	7.50
OTC	UNITED ARTISTS	39.00	38.75	-1.25	-4.48	259	0.00	—	0.59	32.25	14.75
NYS	UNITED CABLE TV	33.75	33.50	-0.25	-0.74	186	0.08	0.20	—	34.25	18.00
ASE	VIACOM	28.25	30.00	1.75	6.19	—	0.00	—	—	30.38	10.00
NYS	WARNER COMM.	36.63	38.75	1.12	3.14	19	0.56	1.60	2.02	38.38	17.50
OTC	WESTMARC COMM.	16.75	16.50	-0.25	-1.33	30	0.00	—	0.70	21.48	9.50
SERVICE & FINANCIAL COMPANIES											
OTC	BURNUP & SIMS	14.38	14.88	0.50	3.48	26	0.00	—	0.48	16.88	4.00
NYS	CAPITAL CITIES	341.00	356.38	15.38	4.51	19	0.80	0.10	19.19	447.00	297.00
NYS	GULF & WESTERN	39.00	39.25	0.25	0.64	12	0.70	1.90	3.85	46.75	29.75
MANUFACTURERS & DISTRIBUTORS											
OTC	ARTEL	2.00	2.00	0.00	0.00	—	0.00	—	—	3.25	1.38
NYS	ARVIN	22.00	21.00	-1.00	-4.55	78	0.68	3.10	0.80	32.25	14.75
NYS	AUGAT	11.88	11.88	0.13	1.13	24	0.40	3.40	0.57	27.75	10.63
OTC	CABLE EXCHANGE(L)	1.75	1.75	0.00	0.00	—	0.00	—	—	5.88	1.75
OTC	CABLE TV IND.	4.63	4.75	0.12	2.59	16	0.00	—	0.30	4.88	1.35
OTC	C-COR ELECTRONICS	9.75	9.75	0.00	0.00	20	0.00	—	0.50	10.25	9.75
NYS	CONTEL CORP.	35.38	37.38	1.87	5.28	29	2.08	5.60	0.85	37.75	25.00
OTC	DATAVISION	0.88	0.88	0.00	0.00	—	0.00	—	—	2.00	0.88
OTC	GANDALF TECH.	8.25	8.25	0.00	0.00	10	0.00	—	0.84	8.25	4.75
NYS	GENERAL INSTRUMENT	27.00	26.88	-0.12	-0.44	10	0.80	1.90	2.01	47.88	21.50
OTC	GRAPHIC SCANNING	6.50	5.50	0.00	0.00	7	0.00	—	1.84	8.88	4.50
NYS	HARRIS CORP.	26.88	27.38	1.50	5.90	16	0.88	3.21	2.33	40.13	22.00
NYS	M/A-COM	10.00	9.88	-0.12	-1.50	—	0.24	2.40	—	14.00	7.38
NYS	OAK INDUSTRIES	1.13	1.00	-0.13	-11.50	8	0.60	—	0.16	1.63	0.88
ASE	PICO PRODUCTS	2.38	3.13	0.75	31.51	—	0.02	—	—	7.38	1.75
NYS	PIONEER ELECTRONICS	55.13	47.00	-8.13	-14.76	63	0.37	0.70	1.88	60.00	39.75
OTC	RADIATION SYSTEMS	9.13	8.88	-0.26	-2.74	12	0.10	0.80	0.73	13.88	7.88
ASE	RMS INTERNATIONAL	1.75	1.75	0.00	0.00	2	0.00	—	0.04	2.88	1.13
NYS	SCIENTIFIC-ATLANTA	12.13	12.25	0.12	0.99	19	0.12	1.00	1.39	17.25	9.13
OTC	TELECRAFTER	4.63	4.88	0.00	0.00	488	0.00	—	0.01	6.63	3.50
NYS	TEKTRONIX	21.88	21.38	-0.50	-2.59	713	0.80	2.80	0.03	38.25	20.50
NYS	VARIAN ASSOCIATES	27.00	26.88	-0.12	-0.44	66	0.26	0.97	0.05	39.00	18.25
OTC	WAVETEK	8.63	8.88	0.00	0.00	30	0.00	—	0.37	10.88	5.63

MARKET DIARY:

ADVANCES	31
DECLINES	13
UNCHANGED	11
NEW HIGHS	3
NEW LOWS	0

LARGEST DOLLAR GAINER....Capital Cities . . . . . +$15.38
LARGEST DOLLAR LOSER....Pioneer Electronics . . . . . -$ 8.13
LARGEST PERCENTAGE GAINER....Pico Products . . . . . +31.51%
LARGEST PERCENTAGE LOSER....Pioneer Elecronics . . . -14.76%
(H) = NEW HIGH IN PERIOD
(L) = NEW LOW IN PERIOD
(D) = DEFICIT
(a) = reflects stock split

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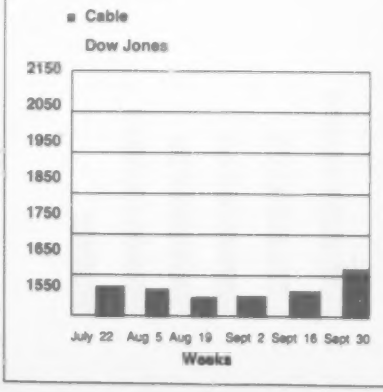
CableVision Stock Index



will total 160 percent, according to Rattner. Storer Communications has 50,000 more subscribers now than it did when the deal originally was announced last April. "The business historically has outperformed in every case," said Rattner.

As Paul Kagan himself noted, that superior performance, the ability to raise substantial amounts of capital providing 15 percent returns, plus all the leveraged buyouts that have placed premiums on the value of these companies, all show "there is real value in those assets beyond the emotional stock market."

The stock market still is feeling the affects of the crash, even if other sectors of the financial markets are not, noted the panelists. But in addition to the jittery mood of the market overall, one of the primary factors driving down cable stock prices in recent months have been fears of telephone company entrance and negative articles in two major business publications about the telco threat.

"Institutions are totally obsessed with telcos for reasons that are beyond me," said Rattner. "I have talked to all the RBOCs" in relation to several recent major deals, said Rattner, and after those contacts he said it is clear the Bell companies are not interested in overbuilding existing cable systems and are focused on acquisitions outside their service areas. ■

NOTES

Financial/Stocks

Tele-Communications Inc.

Tele-Communications Inc. will redeem its 4.5 percent convertible subordinated debentures, due Aug. 15, 2011, on Oct. 27. The bonds carry a redemption premium of 5.2 percent, which will be paid along with accrued interest to the redemption date.

Texscan

Operating income at Texscan rose 46 percent during the quarter ended July 31 to $449,000, compared with $308,000 the previous year. Sales for the quarter finished at $12.2 million, up from $9.4 million a year ago. However, the company had a $394,000 operating loss, off from $393,000 in net profit during the same 1987 period.

Cable TV Industries

Cable TV Industries, about to be acquired by Anixter, accumulated $372,000 in net income during the quarter ended July 31, compared to

This notice appears as a matter of record only.
August 1988

Sold:

Shaver Lake Cable TV

Serving Shaver Lake and portions of
Fresno County, California.

Jeff Eden represented the sellers.

DANIELS
&ASSOCIATES

3200 Cherry Creek South Drive
Suite 500
Denver, Colorado 80209
303/778-5555

Financial Services to the Cable Communications Industry.

Cable Network Ad Performance

June 1988 billings	June 1987 billings	Year-to-year dollar change	Year-to-year percent change
$47,889,258	$50,022,422	-$2,133,164	-4.3%

Top 10 cable net sponsors/June 1988

1. Procter & Gamble	$2,662,599	6. Clorox	$957,785
2. Philip Morris	1,843,919	7. Time Inc.	918,744
3. Anheuser-Busch	1,408,579	8. Schering-Plough	900,560
4. General Mills	1,355,866	9. RJR Nabisco	800,687
5. Eastman Kodak	1,160,673	10. Gillette	748,535

Top 10 sponsors/2nd Quarter 1988

1. Procter & Gamble	$14,146,430	6. RJR Nabisco	$6,156,088
2. Philip Morris	11,892,953	7. Eastman Kodak	6,076,831
3. General Mills	8,559,534	8. Chrysler	5,695,750
4. Anheuser-Busch	8,550,447	9. Mars Inc.	5,021,601
5. Time Inc.	7,824,133	10. Gillette	4,719,942

Source: Broadcast Advertising Reports data; figures represent combined billings of CBN, CNN, ESPN, MTV, USA and Superstation TBS

	2nd Qtr. 1988 billings	2nd Qtr. 1987 billings	Year-to-year dollar change	Year-to-year percent change
CBN	$17,200,000	$15,954,008	$1,245,992	8.0%
CNN	26,424,352	21,879,36[illegible]	4,544,987	20.8%
ESPN	28,468,804	26,482,[illegible]	1,986,562	7.5%
MTV	20,728,252	19,710,6[illegible]	1,017,575	5.2%
USA	25,983,804	17,647,344	8,336,460	47.2%
TBS	59,717,708	52,307,800	7,409,908	14.2%

Source: Broadcast Advertising Reports data

Subscriber Universe Estimates

	Total TV households	Cable TV households	Cable percent of TV households
A.C. Nielsen	90,400,000	47,042,470	52.8%
Arbitron	88,812,800	45,886,600	51.7%
Paul Kagan Associates	88,970,000	44,030,000	49.4%

Subscriber numbers as of July 1988
Nielsen figures include Alaska and Hawaii

Top 100 MSO's

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	5,182,790	(8/88)
2.	American Television & Communications Corp.	3,780,000	(5/88)
3.	Continental Cablevision	2,228,000	(4/88)
4.	Storer Cable Communications	1,488,534	(5/88)
5.	Warner Cable Communications	1,471,766	(9/88)
6.	Cox Cable Communications	1,441,849	(5/88)
7.	Comcast	1,383,724	(3/88)
8.	UA Cablesystems	1,339,729	(10/88)
9.	United Cable	1,210,426	(5/88)
10.	Viacom Cable	1,097,000	(6/88)
11.	Newhouse Broadcasting	1,078,336	(6/88)
12.	Cablevision Systems Corp.	1,073,822	(9/88)
13.	Heritage Communications	1,057,541	(5/88)
14.	Jones Intercable	1,019,871	(8/88)
15.	Times Mirror Cable TV	933,541	(4/88)
16.	Sammons Communications	841,687	(5/88)
17.	Century Communications Corp.	715,000	(8/88)
18.	Paragon Communications	677,400	(4/88)
19.	Cooke Cablevision	625,000	(8/88)
20.	Adelphia Communications	611,590	(8/88)
21.	Falcon Cable TV	611,490	(9/88)
22.	Cablevision Industries	599,376	(7/88)
23.	Centel Cable	545,399	(9/88)
24.	Telecable Corp.	545,361	(8/88)
25.	Rogers Cablesystems Inc.	529,708	(12/87)
26.	Scripps-Howard	475,000	(8/88)
27.	Wometco Cable TV	429,662	(5/88)
28.	Prime Cable	422,442	(5/88)
29.	Post-Newsweek Cable	391,000	(8/88)
30.	Tele-Media	384,648	(5/88)
31.	Multivision Cable TV	381,627	(4/88)
32.	WestMarc Communications	344,555	(7/88)
33.	TCA Group	337,999	(1/88)
34.	Lenfest Group	327,378	(4/88)
35.	Maclean Hunter Cable TV	322,225	(4/88)
36.	Multimedia Cablevision	313,167	(4/88)
37.	Rifkin & Associates	300,200	(5/88)
38.	Colony Communications	262,457	(6/88)
39.	Western Communications	259,396	(6/88)
40.	TKR Cable	251,056	(7/88)
41.	Star Cablevision Group	245,950	(6/88)
42.	Simmons Communications	235,000	(8/88)
43.	Cencom Cable	227,052	(9/88)
44.	Communications Service Inc.	225,000	(4/88)
45.	Service Electric Cable TV Inc.	220,000	(8/88)
46.	Taft Cablepartners	207,880	(6/88)
47.	Hauser Communications	199,141	(4/88)
48.	Greater Media	170,558	(6/88)
49.	Harron Communications	164,389	(5/88)
50.	Media General	164,200	(6/88)
51.	Columbia International	161,243	(4/88)
52.	Sutton Capital Group	158,463	(8/88)
53.	U.S. Cable Corp.	146,242	(6/88)
54.	Armstrong Utilities	146,203	(5/88)
55.	McDonald Group	142,548	(4/87)
56.	Triax Communications	141,000	(6/88)
57.	Insight Communications	140,000	(8/88)
58.	Palmer Communications	135,861	(9/88)
59.	Cable Systems USA	131,440	(10/88)
60.	Summit Communications	130,108	(6/88)
61.	Sonic Communications	116,656	(6/88)
62.	King Videocable	116,086	(5/88)
63.	Bresnan Communications	115,227	(8/88)
64.	Northland Communications	115,226	(4/88)
65.	Booth Communications	111,000	(8/88)
66.	Susquehanna Broadcasting	108,486	(6/88)
67.	Midcontinent Cable Systems Co.	102,672	(8/88)
68.	United Video Management	97,000	(8/88)
69.	Omega Communications	90,500	(3/88)
70.	Coaxial Communications	90,363	(8/88)
71.	WEHCO Video	90,038	(8/88)
72.	Pencor Services	87,077	(8/88)
73.	Selkirk Communications	74,428	(8/88)
74.	Rock Associates	67,802	(5/88)
75.	Chambers Communications Corp.	63,000	(8/88)
76.	Mountain Cable Co.	61,246	(8/88)
77.	Cardinal Communications	58,000	(8/88)
78.	Gilbert Media	58,000	(8/88)
79.	Douglas Communications	56,463	(9/88)
80.	Hearst Communications Of California	56,003	(8/88)
81.	State Cable TV	52,939	(3/88)
82.	C-TEC Cable Systems	52,398	(9/88)
83.	Joseph Gans Cable TV	52,000	(4/88)
84.	Helicon Corp.	50,000	(3/88)
85.	New England Cablevision	49,586	(6/88)
86.	Bachow & Elkin Communications	49,142	(6/88)
87.	Galaxy Cablevision	48,500	(4/88)
88.	Prestige Cable TV Inc.	48,434	(5/88)
89.	Telesat Cablevision Inc.	47,755	(4/88)
90.	Donrey Media Group	45,869	(5/88)
91.	CableAmerica	42,337	(5/88)
92.	Leonard Communications	42,178	(5/88)
93.	Eastern Connecticut Cable TV	41,444	(9/88)
94.	CableSouth Inc.	41,390	(5/88)
95.	James Cable Partners	38,857	(9/88)
96.	Acton Corp.	38,500	(12/87)
97.	ParCable	35,210	9/88)
98.	Countryside Cable	35,000	(2/88)
99.	Mickelson Media	30,611	(7/88)
100.	Harmen Cable Communications	29,202	(3/88)

Subscriber counts are provided by MSOs and systems to CableVision. *Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to Cable Stats, 432 Park Avenue So., Ste. 1010, New York, NY 10016.*

Top 100 Systems

Rank	Location	Operator	Basic subs	
1.	Woodbury (Long Island), NY	Cablevision Systems Corp.	305,985	(7/88)
2.	San Diego, CA	Cox Cable	284,343	(3/88)
3.	Manhattan, NY	ATC	245,000	(3/88)
4.	San Antonio, TX	Rogers Cablesystems	221,894	(12/87)
5.	East Orange, NJ	Maclean Hunter	203,117	(5/88)
6.	Puget Sound, WA	Viacom	203,000	(6/88)
7.	Phoenix, AZ	Times Mirror	200,000	(10/88)
8.	Honolulu, HI	ATC	194,000	(3/88)
9.	Houston, TX	Warner	189,104	(6/88)
10.	Hartford/Plainville/Vernon, CT	United	172,289	(5/88)
11.	Chicago (suburbs)	Continental	168,000	(4/88)
12.	Wayne, NJ	UA Cablesystems	166,241	(6/88)
13.	Louisville/Jeff. Co., KY	Storer Communications	163,722	(5/88)
14.	Rochester, NY	ATC	163,000	(10/88)
15.	Englewood, CO	United	161,002	(5/88)
16.	Cincinnati, OH	Warner	158,929	(5/88)
17.	Hampton Roads, VA	Cox Cable	158,003	(3/88)
18.	Fairfax, VA	Media General	154,000	(6/88)
19.	Atlanta, GA	Prime Cable	153,557	(3/88)
20.	Jacksonville, FL	Continental Cablevision	153,000	(4/88)
21.	Tulsa, OK	United	152,287	(5/88)
22.	Connecticut Complex	Cablevision Co.	147,847	(7/88)
23.	Cherry Hills, NJ	NYT	145,075	(7/87)
24.	Orlando, FL	ATC	143,500	(6/87)
25.	San Jose/Campbell, CA	Gill Cable	137,962	(8/88)
26.	Kansas City, MO	ATC	137,000	(12/87)
27.	Baltimore County, MD	Comcast	136,096	(6/88)
28.	Manhattan, NY	Paragon	136,000	(4/88)
29.	Buffalo, NY	Adelphia Communications	132,801	(3/88)
30.	St. Louis Co., MO	Cencom Cable	128,135	(10/88)
31.	Charlotte, NC	ATC	128,000	(3/88)
32.	Memphis/W. Memphis, TN	ATC	126,000	(12/87)
33.	San Francisco, CA	Viacom	123,000	(6/88)
34.	Pompano, FL	Continental	123,000	(4/88)
35.	San Diego, CA	ATC	121,000	(3/88)
36.	Long Island, NY	Viacom	120,700	(3/88)
37.	Austin, TX	ATC	119,000	(3/88)
38.	Martin/Stuart Co., FL	Centel	118,361	(10/88)
39.	Seattle, WA	TCI	112,500	(12/87)
40.	Warren, NJ	TKR	112,116	(7/88)
41.	Toledo, OH	Blade Communications	108,861	(5/88)
42.	Dallas, TX	Heritage	107,680	(5/88)
43.	Southeast Michigan	Comcast	104,903	(6/88)
44.	San Juan, PR	Multivision Cable	104,757	(12/86)
45.	Grand Rapids, MI	UA Cablesystems	103,661	(6/88)
46.	Wilmington, DE	Heritage	103,255	(5/88)
47.	Jefferson Parish/Kenner, LA	Cox Cable	101,919	(3/88)
48.	Pinellas County, FL	Vision Cable	100,614	(6/88)
49.	Tacoma, WA	Viacom	99,000	(6/88)
50.	Raleigh/Durham, N.C.	ATC	98,000	(3/88)
51.	Indianapolis, IN	Comcast	97,790	(6/88)
52.	Escondido, CA	Times Mirror	96,519	(4/88)
53.	Richmond, VA	Continental	94,606	(10/88)
54.	Dade/Broward, FL	Storer	94,577	(5/88)
55.	Boston, MA	Cablevision Co.	92,181	(8/88)
56.	Pittsburgh, PA	TCI	91,000	(12/87)
57.	Nashville, TN	Viacom	90,000	(6/88)
58.	Tampa, FL	Paragon	90,000	(10/88)
59.	Chicago, IL	Group W	89,500	(7/88)
60.	Worcester Complex, MA	Greater Media	89,497	(6/88)
61.	Jackson MS/Monroe LA	ATC	89,000	(3/88)
62.	Milwaukee, WI	Warner	88,126	(5/88)
63.	Wichita, KS	Multimedia Cablevision	86,929	(12/87)
64.	Las Vegas, NV	Prime Cable	86,852	(5/88)
65.	Orange County, CA	Times Mirror	86,607	(4/88)
66.	Greensboro, NC	ATC	86,000	(3/88)
67.	Brooklyn, NY	Warner	83,086	(9/88)
68.	Dover, Morristown, NJ	Sammons	82,871	(5/88)
69.	Portland, OR	Rogers	82,587	(6/88)
70.	Harrisburg, PA	Sammons Communications	82,334	(5/88)
71.	South Bend, IN	Heritage	80,776	(5/88)
72.	Oakland County, MI	United	80,564	(5/88)
73.	New Orleans, LA	Cox Cable	80,348	(3/88)
74.	Baton Rouge, LA	Daniels & Assocs.	79,586	(4/88)
75.	Akron, OH	Warner	79,070	(5/88)
76.	Hillsborough, FL	Paragon	79,000	(4/88)
77.	Columbus, OH	Warner	78,454	(5/88)
78.	Indianapolis, IN	ATC	78,000	(3/88)
79.	St. Petersburg, FL	Paragon	78,000	(4/88)
80.	Albuquerque, NM	Jones Intercable	77,599	(8/88)
81.	Medford Complex Boston Suburbs, MA	Warner	77,167	(5/88)
82.	South Texas, TX	Heritage	77,160	(5/88)
83.	Fresno, CA	Continental	76,326	(9/88)
84.	Naples, FL	Palmer	76,312	(9/88)
85.	Cleveland Heights, OH	Viacom	76,000	(6/88)
86.	Allentown, PA	Service Electric	75,000	(9/87)
87.	Melbourne/Cocoa, FL	ATC	74,200	(6/87)
88.	Fayetteville, NC	ATC	74,000	(3/88)
89.	Flint, MI	Comcast	72,923	(6/88)
90.	Little Rock, AR	Storer	72,681	(5/88)
91.	Providence/Warwick, RI	Times Mirror	73,605	(5/88)
92.	Omaha, NE	Cox Cable	73,361	(3/88)
93.	Ocean County, NJ	Adelphia	72,355	(3/88)
94.	Pleasant Hill, CA	WestMarc Communications	71,759	(10/88)
95.	Lincoln, RI	Heritage	71,625	(5/88)
96.	Oklahoma City, OK	Cox Cable	70,371	(3/88)
97.	Des Moines, IA	Heritage	70,148	(5/88)
98.	Santa Monica, CA	Century	69,900	(12/86)
99.	W. San Fernando Valley, CA	Cablevision Industries	69,378	(7/88)
100.	Birmingham, AL	ATC	69,000	(3/88)